New guidelines for access to Urban Infrastructure Fund

2050. SHRI K.B. KRISHNA MURTHY: Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVIATION be pleased to state:

(a) whether based on Census 2001 figures, Government are planning to revamp the urban development strategy by framing fresh guidelines for those States that want to access the Urban Infrastructure Fund;

(b) if so, the details thereof;

(c) whether the newly proposed Urban Incentive Fund Scheme will apply only to fast growing small cities with a population between 1—5 million; and

(d) if so, the names of cities identified for Urban Incentive Fund Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION (SHRI O. RAJAGOPAL): (a) and (b) In his Budget Speech for 2002-2003, the Finance Minister has announced creation of an Urban Reforms Incentive Fund with an outlay of Rs. 500 crores. State-wise allocation of this amount have been tentatively decided by the Planning Commission on the basis of percentage of urban population of each State/UT. However, actual release will be made after ascertaining action taken by the State Government towards urban reforms.

In the initial phase, the reforms linked Central assistance would be given for the following:

1. Repeal of the Urban Land Ceiling and Regulation Act at the State level by Resolution;
2. Rationalization of Stamp Duty in phases to bring it down to no more than 5% by the end of the Tenth Plan period;
3. Reform of Rent Control Laws to remove rent control so as to stimulate private investment in rental housing;
4. Introduction of computerised processes of registration;
5. Reform of Property Tax so that it may become a major source of revenue of urban local bodies, and arrangements for its

effective implementation so that collection efficiency reaches at least 85% by the end of Tenth Plan period;

6. Levy of reasonable user charges by Urban Local Bodies, with the objective that full cost of O & M (Operation & Maintenance) is collected by end of the Tenth Plan period;

7. Introduction of double entry system of accounting in Urban Local Bodies.

(c) and (d) The proposed Central assistance under Urban Reforms Incentive Fund will be provided only to those States which agree to carry out the reforms agenda as per Memorandum of Agreement to be signed between the Central and State Government. This will not be linked to any particular city.

Financing of new construction projects by HUDCO

2051. PROF. M.M. AGARWAL: Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVIATION be pleased to state:

(a) the details of ongoing and new construction projects financed by HUDCO in various States during the past five years; and

(b) the details of achievement made in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION (SHRI O. RAJAGOPAL): (a) and (b) Housing & Urban Development Corporation Ltd. (HUDCO) has sanctioned a sum of Rs. 34639.33 crore as loans for various housing and urban infrastructure schemes during the past five years against target of Rs.19395.00 crore as per details given below:—

(Rs. in crore)

Year	Target	Loan Sanctioned
1997-98	2315.00	3019.90
1998-99	2700.00	6666.67
1999-2000	3030.00	8899.89
2000-2001	4200.00	7912.73
2001-2002	7150.00	8140.14
TOTAL:	19395.00	34639.33